

Amendment No. \_\_\_\_\_

\_\_\_\_\_  
Signature of Sponsor

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 1005\***

**House Bill No. 1201**

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 2-10-110, is amended by adding the following as a new subsection:

(g) No settlement in which the aggregate amount of assessed civil penalties exceeds twenty-five thousand dollars (\$25,000) shall be accepted by the registry unless the settlement proposal is considered at either a regular meeting or, notwithstanding § 2-10-203(f), a special meeting called by the chair in which at least twenty-four (24) hours' notice is given to each member of the registry and each party seeking a settlement proposal. If a special meeting is called pursuant to this subsection (g), an agenda for the meeting must be placed on the registry's website at least twenty-four (24) hours prior to the meeting. The agenda must include the style of any matter to be considered, and the special meeting must be limited to consideration of only the matters listed on the agenda.

SECTION 2. Tennessee Code Annotated, Section 2-10-203, is amended by adding the following as a new subsection:

(l) Each regular meeting agenda must be published on the registry's website at least five (5) business days prior to the date of the meeting.

SECTION 3. Tennessee Code Annotated, Section 3-6-103, is amended by adding the following as a new subsection:

(l) Each regular meeting agenda must be published on the commission's website at least five (5) business days prior to the date of the meeting.



0703671017



\*007049\*

SECTION 4. Tennessee Code Annotated, Section 3-6-205, is amended by adding the following as a new subsection:

(c) No settlement in which the aggregate amount of assessed civil penalties exceeds twenty-five thousand dollars (\$25,000) shall be accepted by the commission unless the settlement proposal is considered at either a regular meeting or, notwithstanding § 3-6-103(f), a special meeting called by the chair in which at least twenty-four (24) hours' notice is given to each member of the commission and each party seeking a settlement proposal. If a special meeting is called pursuant to this subsection (c), an agenda for the meeting must be placed on the home page of the commission's website at least twenty-four (24) hours prior to the meeting. The agenda must include the style of any matter to be considered, and the special meeting must be limited to consideration of only the matters listed on the agenda.

SECTION 5. Tennessee Code Annotated, Section 4-55-101, is amended by adding the following as a new subsection:

Each regular meeting agenda must be published on the bureau's website at least five (5) business days prior to the date of the meeting.

SECTION 6. Tennessee Code Annotated, Section 2-10-117, is amended by deleting the section in its entirety.

SECTION 7. Tennessee Code Annotated, Section 2-10-107(a)(1), is amended by deleting the first sentence and substituting:

A statement that neither the contributions received nor the expenditures made by a candidate for local public office or a political campaign committee in a local election during the period for which the statement is submitted exceeded one thousand dollars (\$1,000).

SECTION 8. Tennessee Code Annotated, Section 2-10-107(a)(2)(A), is amended by deleting subdivision (i) and substituting instead the following:

(i) A statement setting forth, under contributions for each candidate for state or local public office and political campaign committee, a list of all the contributions received, including the full name, complete address, occupation, and employer of each person who contributed during the period for which the statement is submitted, and the amount contributed by that person;

SECTION 9. Tennessee Code Annotated, Section 2-10-107(a)(2)(A)(ii), is amended by deleting the language "persons contributing more than one hundred dollars (\$100)" and substituting instead the word "contributors".

SECTION 10. Tennessee Code Annotated, Section 2-10-107(a)(2)(A)(iii), is amended by deleting the language ". The statement shall list as a single item the total amount of contributions of one hundred dollars (\$100) or less".

SECTION 11. Tennessee Code Annotated, Section 2-10-107(a)(2)(B), is amended by deleting the language "a total amount of more than one hundred dollars (\$100)" and substituting instead the language "an expenditure"; and is further amended by deleting the last sentence of the subdivision and substituting instead the following:

The statement must list the expenditures by category and amount.

SECTION 12. Tennessee Code Annotated, Section 2-10-107(c)(1), is amended by deleting subdivisions (A) and (B)(i) and substituting instead the following:

(A) In-kind contributions of any amount; and

(B)

(i) For each such in-kind contribution, the category of the contribution, and the name, address, occupation, and employer of each person who contributed it.

SECTION 13. Tennessee Code Annotated, Section 2-10-107(c)(1)(B)(ii), is amended by deleting the language "persons contributing more than one hundred dollars (\$100)" and substituting instead the word "contributors".

SECTION 14. Tennessee Code Annotated, Section 2-10-212(i), is amended by designating the existing language as subdivision (1) and adding the following subdivision (2):

(2) Subdivision (i)(1) does not apply to reports covering periods beginning on and after January 16, 2022.

SECTION 15. Tennessee Code Annotated, Section 2-10-105(h)(1), is amended by deleting "hand delivery or overnight mail delivery" and substituting instead "hand delivery, overnight mail delivery, or electronically".

SECTION 16. Tennessee Code Annotated, Section 2-10-105(h)(1)(A), is amended by deleting the subdivision and substituting instead the following:

(A) The full name and address of each person, political campaign committee, or contributor from whom the candidate or committee has received and accepted a contribution, loan, or transfer of funds during such period and the date of the receipt of each contribution that, in the aggregate, equals or exceeds two thousand five hundred dollars (\$2,500);

SECTION 17. Tennessee Code Annotated, Section 2-10-105(h)(1), is amended by adding the following new subdivision (B) and redesignating the existing subdivisions accordingly:

(B) The full name and address of each person or recipient entity to whom a total aggregate amount of not less than two thousand five hundred dollars (\$2,500) was paid during such period, the total amount paid to that person or entity, the date the expenditure was made, and the purpose of the payment. For an independent expenditure, the report must include the name of the candidate or measure supported or opposed; and

SECTION 18. Tennessee Code Annotated, Section 2-10-105(h)(2), is amended by deleting the language "contribution to be reported is received" and substituting instead "contribution or expenditure to be reported is received or made".

SECTION 19. Tennessee Code Annotated, Section 2-10-105(h), is amended by adding the following new subdivisions:

(4)

(A) Each report filed under subdivision (h)(1) with the registry of election finance must be posted on the website of the registry as soon as practicable. The registry shall develop an electronic filing system for reports required under subdivision (h)(1).

(B) Each report filed under subdivision (h)(1) with a county election commission must be posted on the website of the commission as soon as practicable, if the commission otherwise posts campaign finance reports. A county election commission may develop an electronic filing system for reports required under subdivision (h)(1).

(5) An expenditure or contribution reported under this subsection (h) must not be omitted or excluded from applicable reports filed pursuant to subsection (c).

SECTION 20. Tennessee Code Annotated, Section 2-10-110(f)(1), is amended by designating the existing language as subdivision (A) and adding the following new subdivision (B):

(B) Notwithstanding subdivision (f)(1)(A), for any civil penalty authorized by this section or § 2-10-308 and levied against a multicandidate political campaign committee that named or certified one (1) or more candidates as a treasurer or officer at the time any offense occurred, or was constructively controlled or directed by one (1) or more candidates in the commission of an offense, the candidate, or candidates, and treasurer of the committee are personally liable for the penalty. Any such civil penalty must not be paid using funds from a multicandidate political campaign committee.

SECTION 21. Tennessee Code Annotated, Section 2-10-106(b), is amended by deleting the subsection and substituting instead the following:

(1) A candidate or political campaign committee that complies with the requirements of § 2-10-105(a) and (b), as applicable, and § 2-10-131(a), shall ensure that all funds in a campaign account remain separate and segregated at all times from other funds, including from personal funds.

(2) Funds maintained in a separate, segregated campaign account are not the personal property of a candidate or other individual. Such funds are not subject to garnishment or any type of execution to satisfy the debts or obligations of any individual that are not campaign debts or obligations.

(3) A candidate or political campaign committee found to be in violation of subdivision (b)(1) commits a Class 2 offense and is subject to a civil penalty by the registry of election finance of not more than twenty-five dollars (\$25.00) per day up to a maximum of seven hundred fifty dollars (\$750) for each day that such funds were not separated or segregated.

SECTION 22. Tennessee Code Annotated, Section 2-10-132, is amended by designating the existing language as subsection (a) and adding the following as a new subsection (b):

(b) Notwithstanding any law to the contrary, an organization that is tax exempt under United States Internal Revenue Service Code § 501(c)(4) (26 U.S.C. § 501(c)(4)) is deemed to be a political campaign committee and subject to the requirements of § 2-10-105 if:

(1) The organization expends an aggregate total of not less than five thousand dollars (\$5,000) in organizational funds, moneys, or credits for communications that expressly contain the name or visually depict the likeness of a state or local candidate in an upcoming primary or general election; and

(2) Such expenditures or communications occur within sixty (60) calendar days immediately preceding a primary or general election in which the named candidate appears on the ballot.

SECTION 23. Tennessee Code Annotated, Section 2-10-203, is amended by deleting subdivisions (c)(2) and (3) and substituting:

(2) The speaker of the senate shall appoint one (1) member in consultation with the majority caucus and one (1) member in consultation with the minority caucus; and

(3) The speaker of the house of representatives shall appoint one (1) member in consultation with the majority caucus and one (1) member in consultation with the minority caucus.

and is further amended by deleting subsection (d) and substituting:

(1) A member must not consecutively serve more than one (1) full term, irrespective of the appointing authority. This subdivision (d)(1) applies to terms being served upon the effective date of this act.

(2) Vacancies must be filled in the same manner as the vacating member's office was originally filled.

SECTION 24. Tennessee Code Annotated, Section 2-10-203(h), is amended by deleting subdivisions (2), (5), and (6) and substituting:

(2) Be an employee of this state or any political subdivision of this state; provided, however, that this subdivision (h)(2) does not apply to a member's immediate family;

(5) Participate in any way in any election campaign; provided, however, that this subdivision (h)(5) does not apply to a member's immediate family;

(6) Lobby or employ a lobbyist; provided, however, that this subdivision (h)(6) does not apply to a member's immediate family; or

SECTION 25. Tennessee Code Annotated, Section 2-10-203, is amended by adding the following as a new subsection:

(j) Subsection (h) is applicable for one (1) year subsequent to the removal, vacancy, or termination of the term of office of a member of the registry.

SECTION 26. Tennessee Code Annotated, Section 3-6-103(h), is amended by deleting subdivisions (2) and (5) and substituting:

(2) Be an employee of this state or any political subdivision of this state; provided, however, that this subdivision (h)(2) does not apply to a member's immediate family;

(5) Participate in any way in any election campaign; provided, however, that this subdivision (h)(5) does not apply to a member's immediate family;

SECTION 27. Tennessee Code Annotated, Section 2-10-212, is amended by deleting subsection (c) and substituting instead the following:

(c) In order to comply with an audit, candidates, campaigns, and political campaign committees shall retain copies of all checks, money orders, wire or account transfer statements, withdrawal statements, credit or debit statements, bank statements, vendor receipts, and other documentation directly resulting from a financial transaction involving the receipt or disbursement of any funds subject to disclosure under part 1 of this chapter for two (2) years after the date of the election to which the records refer.

SECTION 28. Tennessee Code Annotated, Section 2-10-125, is amended by adding the language "or campaign services" immediately following the language "consulting services" wherever it may appear, and is further amended by adding the following new subsections:

(e) If a person or entity contracts to pay a member of the general assembly a fee, commission, or other form of compensation, including in-kind compensation, for the provision of campaign services, the person or entity shall make the disclosures required under subdivisions (a)(1)-(5) with respect to the campaign services provided.

(f) As used in this section, "campaign services" means services to advise or assist a candidate, political campaign committee, affiliated political campaign committee, or multicandidate political campaign committee in affecting the result of any election, including, without limitation, campaign work, paper and electronic advertising, producing mailers and fliers, and the distribution thereof.



SECTION 29. Tennessee Code Annotated, Section 2-10-125(d), is amended by deleting subdivision (d)(1) and substituting instead the following:

(1) It is a Class A misdemeanor for a person or entity to knowingly fail to file a disclosure or to knowingly provide false, incomplete, or misleading information on the disclosure form.

SECTION 30. Tennessee Code Annotated, Section 2-10-126, is amended by adding the language "or campaign services" immediately following the language "consulting services" wherever it may appear, and is further amended by adding the following new subsections:

(e)

(1) If a candidate for or member of the general assembly contracts to receive a fee, commission, or other form of compensation, including in-kind compensation, for the provision of campaign services to a person or entity, the candidate or member shall make the disclosures required under § 2-10-125(a)(1)-(5) with respect to the campaign services provided.

(2) If a candidate for or member of the general assembly contracts to pay a person or entity a fee, commission, or other form of compensation, including in-kind compensation, for the provision of campaign services, the candidate or member shall make the disclosures required under § 2-10-125(a)(1)-(5) with respect to the campaign services provided.

(f) As used in this section, "campaign services" means services to advise or assist a candidate, political campaign committee, affiliated political campaign committee, or multicandidate political campaign committee in affecting the result of any election, including, without limitation, campaign work, paper and electronic advertising, producing mailers and fliers, and the distribution thereof.

SECTION 31. Tennessee Code Annotated, Section 2-10-126(d)(1), is amended by deleting the subdivision and substituting instead the following:

(1) It is a Class A misdemeanor for a person or entity to knowingly fail to file a disclosure or to knowingly provide false, incomplete, or misleading information on the disclosure form.

SECTION 32. Tennessee Code Annotated, Section 2-10-126(a), is amended by deleting the language "form of compensation" and substituting instead the language "form of compensation, including in-kind compensation,".

SECTION 33. Tennessee Code Annotated, Section 2-10-125(a), is amended by deleting subdivision (1) and substituting instead the following:

(1) The person to whom the fee was paid, including the full names and identities of the businesses, corporations, individuals, or other private entities through which payment flowed to or from the person making the disclosure;

SECTION 34. Tennessee Code Annotated, Section 2-10-123(a) and (b), are amended by deleting the language:

member of the general assembly, member-elect of the general assembly, governor, member of the governor's staff, secretary of state, treasurer, or comptroller of the treasury

and substituting instead the following language:

member of the general assembly, member-elect of the general assembly, governor, member of the governor's cabinet, member of the governor's staff, secretary of state, treasurer, or comptroller of the treasury

SECTION 35. Tennessee Code Annotated, Section 8-50-502, is amended by adding the following new subdivisions:

(10)

(A) For each candidate for or member of the general assembly, the governor, members of the governor's cabinet, cabinet-level staff-members, members of the registry of election finance, members of the Tennessee ethics commission, secretary of state, comptroller of the treasury, state treasurer, and

members of the state election commission, in addition to the disclosures required under subdivision (1) and §§ 2-10-115(a)(1) and 2-10-128(a)(1), if private income from a single source exceeds twenty-five thousand dollars (\$25,000) in the twelve-month period immediately preceding the initial or the annual filing by a candidate or office holder:

- (i) The specific identity of each source of compensation, including, but not limited to, clients and customers; and

- (ii) A brief description of the nature of the duties performed or services rendered by the candidate or official for each source;

(B) Disclosure is not required of:

- (i) Any information that is considered confidential as a result of a privileged relationship, established by law, between the candidate or official and any person or entity;

- (ii) Any information with respect to any person or entity for whom services were provided by any firm or association of which the candidate or official was a member, partner, or employee unless the candidate or official was directly involved in the provision of such services; or

- (iii) The specific amount of compensation from each source;

(C) Disclosure under this subdivision (10) must be made annually beginning with the candidate or official's next statement due after January 1, 2022;

(11)

(A) By any member of the general assembly or candidate for the general assembly, the name of any multicandidate political committee established or controlled by the member or candidate within the immediately preceding five (5) years of the date of the disclosure;

(B) Disclosure under this subdivision (11) must be made annually beginning with the candidate or official's next statement due after January 1, 2022.

SECTION 36. Tennessee Code Annotated, Title 8, Chapter 50, Part 5, is amended by adding the following new section:

**8-50-507.**

Each disclosure statement or amendment to a disclosure statement filed under this part must be signed either in writing or electronically under penalty of perjury, and contain substantially the following language:

I understand that, pursuant to T.C.A. § 8-50-507, submitting a disclosure or amendment to a disclosure form which contains false or incomplete information may subject me to the penalties of perjury. The information contained in this disclosure or amendment to a disclosure form is true, complete, and correct to the best of my knowledge, information, and belief.

\_\_\_\_\_ Signature \_\_\_\_\_ Date

SECTION 37.

(a) Sections 23-26 of this act take effect upon becoming a law, the public welfare requiring it.

(b) Sections 7-13 of this act take effect January 16, 2022, the public welfare requiring it.

(c) All other sections of this act take effect July 1, 2021, the public welfare requiring it.